BRITISH COLUMBIA

BC STATS Infoline

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July 16, 1999

highlights

a weekly digest of recently released British Columbia statistics

Prices

- **British Columbians continue to enjoy the lowest inflation rate in the country, along with Prince Edward Island.** Both provinces posted a 1.0% increase over June 1998. This is only the second time since August 1997 that BC's inflation rate has equaled or exceeded 1.0%. Manitoba and Ontario (1.9%) shared the greatest increase. The national rate rose 1.6% from the previous June.

Employment Insurance Coverage

- **Since the beginning of the decade, the gap between the number of Canadians receiving employment insurance (EI) benefits and the number who are unemployed has been increasing.** Last year, four in ten unemployed Canadians were receiving regular EI benefits. This compares to eight in ten in 1990. In BC, the percentage of unemployed people eligible for EI benefits has also been halved during this period, falling to just under 40% last year.

  More than half of the increase in the size of the gap can be attributed to changes in the composition of the labour force, with the balance explained by more stringent eligibility requirements for EI coverage. People who have left their jobs voluntarily have not been eligible for EI benefits since April 1993, and the minimum number of weeks that must be worked in order to qualify for benefits was increased in July 1994.

  Source: Statistics Canada

- **Just over half (52%) of all unemployed people were potentially eligible for employment insurance in 1998, but not everyone received benefits.** Twenty percent of those unemployed during one of four reference weeks in the year did not have enough hours of insurable employment to qualify, and 5% had chosen not to make a claim. In addition, 19% had either exhausted their benefits or were serving a waiting period.

  Half of adult women, but two-thirds of adult men were potentially eligible for EI benefits. The difference was due to the higher proportion of unemployed women (36%, compared to 24% of men) who had no recent employment on which to base a claim. Among unemployed youth, only one in three was potentially eligible for EI coverage.

  Source: Statistics Canada

- **Among those who were not potentially covered by EI and had no access to benefits, about half (47%) had not worked in the last twelve months, while 20% had never worked.** Others were excluded from coverage because they had quit their last job (12%), had been self-employed or uninsured (12%), or had left their last job to go to school (10%).

  One in three (34%) unemployed Canadians who were not eligible for EI lived with parents during their period of unemployment. Another 23% relied on social assistance to supply their needs, while 19% depended on the earnings of their spouse or common-law partner. Savings (7%) and loans (5%) were the other main sources of income.

  Source: Statistics Canada

The Economy

- **Motor vehicle sales in British Columbia were 3.0% higher this May than in the same month last year.** The increase was the fourth in as many months, and reflected booming sales of overseas-made vehicles (+28.8%), which appear to have turned the corner after faltering during most of 1998. However, sales of vehicles manufactured in North America fell (-0.9%) for the first time since January. BC and Newfound-

Report **Incidence of Low Income in BC**

Did you know...

Privately owned Canadian TV broadcasters earned $1.8 billion last year, while radio broadcasters took in $942 million. Sales of air time accounted for most (95%) of their revenues. Public and non-commercial broadcasters received $1.4 billion, 26% of which was from sales of air time.

land (+2.0%) were the only provinces where the number of vehicles sold increased significantly. Vehicle sales were down in seven provinces, with sharp decreases seen in all three Prairie provinces. Saskatchewan (-18.5%) and Alberta (-16.7%) posted double-digit declines. Nationally, sales dropped to 3.2% below the May 1998 level.

Source: Statistics Canada

Housing

- **The cost of new housing continued to decline in May.** Vancouver's new housing price index (NHPI) was down 4.5% from the same month a year earlier, while Victoria's NHPI decreased 3.9% during the same period. Sudbury/Thunder Bay (-0.6%) was the only other city where new house prices fell. Canadian prices for new homes were up 0.6%, led by a 5.1% increase in Calgary. New house prices also jumped in Regina (+3.6%), but rose more moderately in the rest of the country.

Source: Statistics Canada

Tourism

- **Spending by tourists in Canada reached $9.4 billion during the first quarter of 1999, an increase of 5.4% from the same period last year.** The year-over-year increase was the lowest since the third quarter of 1997. Non-resident expenditures rose 12.8%, more than three times as much as spending by Canadians travelling inside the country (+3.5%).

Source: SC, Catalogue 13-009-XPB

- **Twenty-two cents of every tourist dollar earned in Canada during the first quarter came from non-residents.** This was partly due to the fact that Americans continued to flock to the country, lured by a cheap Canadian dollar. Overnight visits from the States were up 11.5% from a year ago, to 2.0 million. The low value of the loonie also proved to be a boon to visitors from countries such as France, the United Kingdom and Japan, whose currencies have appreciated relative to Canada's during the last year. Visits from countries other than the US were 8.2% higher than in the first quarter of 1998.

Source: SC, Catalogue 13-009-XPB

- **In 1998, British Columbians accounted for one in every five (22%) Canadians who were directly employed in the tourism sector.** Direct tourism employment in the province was 112,900, while the number of Canadians whose jobs were generated by tourist activity totaled 518,300. *Source: BC STATS & Statistics Canada*

Air Travel

- **Canadian air carriers have expanded their share of the trans-border market since the "Open Skies" agreement was signed in 1995.** Canadian carriers accounted for just 39% of total revenues from transborder flights in 1995, while US-based carriers received 61% of the business. By 1997, the Canadian share had risen to 44% of the $4.8 billion in total revenues from this traffic. Total revenues from transborder traffic have increased by almost a billion dollars since 1995.

Source: SC, Catalogue 87-003-XPB

Internet Use

- **A survey of Canadian households in the fall of 1998 found that individuals in high-income families were nearly five times more likely than those in the lowest income group to regularly use computer communications.** The largest disparity was in the workplace, where about half (50%) of high-income households included someone who regularly used the Internet at work, compared to just 4% of low-income households. *Source: Statistics Canada*

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For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

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Infoline Report:

Incidence of low income in British Columbia

Contact: Anne Kittredge / (250) 387-0374

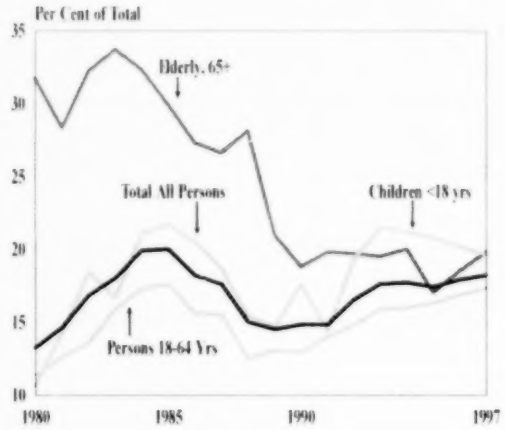
Originally published in March 1999 issue of *Earnings & Employment Trends*. Annual subscription: $60 + GST

In 1997 the number of persons in British Columbia with incomes below Statistics Canada's low income cut-offs was an estimated 706,000, or 18.2 per cent of the total population, up from 17.9 in 1996. Incidence of low income in males increased 1.5 percentage points to 17.2 per cent while females experienced a decline of 1.0 percentage points to 19.0 per cent.

An estimated 174,000 children under 18 years of age, 19.6 per cent of all children in BC, lived in low income families in 1997 (families where the head of the household is less than 65 years old). Children living in single parent female families were almost four times more likely to be in a low income situation (52.3 per cent) than children in two-parent families (13.5 per cent). However, since 1980, rates for children living in single parent female families have remained fairly constant while those of children in 2 parent families has increased by 8.1 percentage points.

The low income rate for persons 65 years of age and over was 19.8 per cent in 1997, up from 18.5 per cent in 1996 but still continuing a downtrend from the 31.7 per cent recorded in 1980. Since 1980, low income rates for senior men has decreased 15.7 percentage points (from 28.7 to 13.9 per cent) and 8.8 percentage points for senior women (from 34.1 per cent to 25.3 per cent).

Incidence of Low Income in BC



In 1997, British Columbia ranked fourth highest in Canada in the total "all persons" incidence of low income, with Quebec reporting the highest per cent at 20.4 and Prince Edward Island the lowest at 13.4 per cent.

The largest variance between provinces is in the category of children in female lone-parent families, where the incidence of low income goes from a high of 72.3 per cent in Newfoundland to a low of 52.3 per cent in British Columbia.

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Infoline

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BC at a glance . . .

POPULATION (thousands)	Apr 1/99	% change on one year ago
BC	4,028.3	0.7
Canada	30,482.9	0.9
GDP and INCOME		% change on
(BC - at market prices)	1997	one year ago
Gross Domestic Product (GDP) *($ millions)*	109,347	3.3
GDP *($ 1992 millions)*	98,201	2.2
GDP *($ 1992 per Capita)*	24,775	0.1
Personal Disposable Income *($ 1992 per Capita)*	16,340	-2.3
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Apr	2,961	8.5
Merchandise Exports (raw) Apr	2,345	11.5
Retail Sales (seasonally adjusted) Apr	2,788	-0.5
CONSUMER PRICE INDEX		% change on
(all items - 1992=100)	Jun '99	one year ago
BC	111.5	1.0
Canada	110.5	1.6
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Jun '99	one year ago
Labour Force - BC	2,073	1.6
Employed - BC	1,896	2.4
Unemployed - BC	178	-6.7
		Jun '98
Unemployment Rate - BC *(percent)*	8.6	9.3
Unemployment Rate - Canada *(percent)*	7.6	8.4
INTEREST RATES (percent)	July 14/99	July 15/98
Prime Business Rate	6.25	6.50
Conventional Mortgages - 1 year	6.70	6.55
- 5 year	7.50	6.95
US/CANADA EXCHANGE RATE	July 14/99	July 15/98
(avg. noon spot rate) Cdn $	1.4807	1.4848
US $ *(reciprocal of the closing rate)*	0.6754	0.6715
AVERAGE WEEKLY EARNINGS		% change on
(industrial aggregate - dollars)	Apr '99	one year ago
BC	623.64	1.4
Canada	608.15	0.0

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Earnings } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm

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Subjects

then click

Click here for a more detailed list

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www.bcstats.gov.bc.ca/links/linkstat.htm

One of the gems in the selection of Internet sites is BC Hydro's bid to help companies determine a location for new business development. Their site includes a series of community profiles that is among the best we have ever seen. The address of the community profile page is

http://eww.bchydro.bc.ca/mcs/cust_dev/
[continued] business_invest_comm.html

Released this week by BC STATS

- Labour force Statistics, June 1999
- Earnings & Employment Trends, April 1999
- Consumer Price Index, June 1999

Next week

- No subscription releases

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